

The official website of the Governor of Massachusetts

Governor Deval Patrick



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DEVAL L. PATRICK
GOVERNOR

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October 02, 2009 - For immediate release:

Governor Patrick Moves to Responsibly Address FY'10 Budget Shortfalls

Process to identify potential solutions already underway, will update FY'10 revenue estimates by October 15th

BOSTON -- Friday, October 2, 2009 -- Responding to a Department of Revenue (DOR) report that September state revenue collections fell \$243 million below budget estimates, Governor Deval Patrick today announced that his cabinet has already begun to identify potential emergency cuts to the Fiscal Year 2010 budget and will begin the process of adjusting tax revenue estimates for the remainder of the fiscal year. Year-to-date revenues are \$212 million below benchmark.

"Our Cabinet has effectively managed through a \$7 billion gap already through a series of spending cuts, layoffs and strict hiring controls, voluntary contributions from constitutional officers and quasi-independent agencies, the use of federal recovery funds and rainy day funds, and new revenues. But today's news means we have more to do," said Governor Patrick. "Secretary Kirwan and her team have been working with other Cabinet members and their agencies across state government to prepare for further spending cuts and other solutions. I have directed the Secretary and Undersecretary Gonzalez to work with the Department of Revenue, my Council of Economic Advisors and other financial experts over the next two weeks to update the tax revenue estimates for the rest of this fiscal year. Within two weeks after that is announced, we will announce our plan to close the gap."

Massachusetts, like other states, is still dealing with the effects of an unprecedented national recession. At least 47 other states are experiencing budget shortfalls -- in most cases more severe than the Commonwealth's. Additionally, about half the states have already had to revise their revenue projections downward for the current fiscal year, indicating that this has been a very difficult recession to forecast.

The Governor noted that the state's economy is showing early signs of recovery. Recent reports chronicling increases in business investment, growth in the labor force and an uptick in housing starts demonstrate that Massachusetts is poised to emerge from the recession faster than other states. The Governor's commitment to investing for the long-term in areas such as education, life sciences, clean energy, and infrastructure have created jobs today and laid the foundation for strong growth in the future.

"State revenue always recovers more slowly than the private sector economy. As people start to go back to work and some of the stress on families is relieved, as businesses take advantage of new opportunities in the capital markets, and as the housing and commercial real estate markets strengthen, state government's fiscal situation will improve, too," said Governor Patrick. "In the meantime, we have more work to do, and we will get it done as we have in the past: by being tough-minded about the tough choices in front of us, and by being mindful that these are not just numbers on a balance sheet we're dealing with, but people whose vital services and livelihood are at stake."

The Governor noted that his team has already developed a number of scenarios to address the Fiscal Year 2010 shortfall. Today, he called on state employee unions, vendors, advocates, and members of the legislature to use the time over the next few weeks to work with the Cabinet to refine those plans in order to achieve the maximum savings and efficiencies with the least impact on people and public services.

Musante, John

From: recapdata@dor.state.ma.us
Posted At: Wednesday, September 23, 2009 8:01 AM
Conversation: Freecash Approval Notification for Amherst
Posted To: Finance

Subject: Freecash Approval Notification for Amherst

Massachusetts Department of Revenue Division of Local Services
Navjeet Bal, Commissioner
Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs

Wednesday, September 23, 2009

Kim Littmann
Accounts Payable Clerk
Town of Amherst

Re: NOTIFICATION OF FREE CASH APPROVAL - Amherst

Based upon the unaudited balance sheet submitted, I hereby certify that the amount of available funds or "free cash" as of July 1, 2009 for the Town of Amherst is:

General Fund		\$ 2,672,333
Sewer Ent.	Enterprise Fund	\$ 1,630,508
Water Ent.	Enterprise Fund	\$ 1,578,304
Solid Waste Ent.	Enterprise Fund	\$ 252,529
Transportation Ent.	Enterprise Fund	\$ 339,131

This certification is in accordance with the provisions of G. L. Chapter 59, §23, as amended.

Certification letters will be e-mailed to the mayor/manager, board of selectmen, prudential committee, finance director and treasurer immediately upon approval, provided an e-mail address is reported in DLS' Local Officials Directory. Please forward to other officials that you deem appropriate.

Sincerely,
Gerard D. Perry
Director of Accounts

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the system manager at postmaster@dor.state.ma.us.

Date: 10/5/09

To: The Select Board

From: Stephanie

Re: Budget Policy Discussions

At our 9/21 meeting, we agreed to try to create and finalize our budget policy recommendations in the month of October, to aid the Town Manager in his FY11 budget preparation. We have three meetings in which to do that. Per the schedule discussed, the current plan is:

10/5: Preliminary discussion: review FY10 policies; discuss expectations for FY11 policies; consider budget questionnaire for Town Staff (what it might ask, who would create it, when it would be distributed and returned in time to inform the creation of our policies. Might we need to add one week to this plan, and if so, would that work?)

10/19: Major discussion, with benefit of 10/15 Four Boards meeting info; consideration of draft policy suggestions; questionnaire update. We really need to come to this meeting prepared with concrete suggestions, ideally, having submitted them in time for the packets.

10/26: Finalize our policy recommendations. The goal is to agree on suggested policies, with any necessary edits to be incorporated into a memo I'll submit to Larry on our behalf on 10/27.

To help us think about this, I've attached our FY10 Budget Policy memo and the list of questions that we asked Department Heads to fill out last year prior to our Saturday budget meeting. Those completed questionnaires are still available on the Budget Process page of the Town web site, and may be helpful to us.

Department Head Budget Questions from FY10

1. Briefly describe your department's recent accomplishments and the negative or positive effects of budget increases/decreases on services/programs over the past three years (FY 07, FY 08, and FY 09).
2. List any FTE that has been budgeted within current appropriations but is vacant. Indicate how long each position been vacant, and the expectations for those positions going forward? (e.g., currently advertising, expect to cut, etc.)
3. List any grant-funded positions or programs that are at risk if town funding decreases or is not available.
4. List any increased fees, whether the increase has covered what it was hoped to cover, and whether the increase has decreased participation. Also list any new or increased fees that could be considered given MA law limitations.
5. List all the Town Manager-appointed and Select Board-appointed committees/boards you provide support for, and the approximate number of meetings per month and hours per month spent on committee/board support.
6. List any functions currently performed by volunteers that sometimes need to be covered by paid staff, and conversely, paid staff functions that might be covered by volunteers.
7. List three cuts in FY 10 services that would least affect your core functions (note: these cuts can include services to other departments or town functions in addition to services the public sees).
8. List at least one area where efficiency might be improved for FY 10.

Town of



AMHERST *Massachusetts*

Town Hall
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SELECT BOARD
Phone: (413) 259-3001
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Email: selectboard@amhertma.gov

To: Larry Shaffer, Town Manager
From: Stephanie O'Keeffe, Select Board Chair
Date: December 16, 2008
Re: FY10 Select Board Budget Policy Recommendations

At its Monday, December 15, 2008 meeting, the Select Board approved by consensus and without a vote the following Budget Policy Recommendations for the FY10 budget:

The Select Board supports regionalization, reorganization and reassigning services outside of the general fund when such initiatives would reduce costs and realize efficiencies.

The Select Board supports the pursuit of new revenue through expanded arrangements with the University and Colleges and through new and increased fees. We also support actively pursuing economic development, and legislation for the local option meals and lodging taxes, and the telecommunications bill.

The Select Board supports careful consideration of the capital budget for reasonable reductions, deferrals and use of Community Preservation Act funds for capital expenditures where possible. We emphasize the need to demonstrate that deferral of capital spending not result in increased future costs. When considering equipment expenditures, we support looking for ways to combine resources with other towns to see if equipment can be shared. We also support bonding or borrowing for large capital expenditures that will benefit the Town for many years

The Select Board opposes the use of Town reserves, except as a last resort.

We will be happy to provide clarification or answer any questions at our next meeting, January 5, 2009.

